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Report Highlights:

*Action urged as bird flu kills second person *Seminar eyes food safety *Plan to boost consumer protection *Financial losses leave shrimp ponds barren *Short supply of fish, shrimp may cost thousands of jobs *Seafood export value falls 6 percent *Vietnam to export 120,000 tons of tra fish to Russia *Sheep imported from UAE for breeding and meat *Health agency calls for peanut butter recall *Nation lacks accurate forecasting, market data

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Trade Report
Ho Chi Minh City [VM2]
[VM]

Welcome to "News Summary" from Vietnam, an occasional summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within Vietnam, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues may be expanded upon in subsequent reports from this office. Minor grammatical changes have been made for clarification.

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Action urged as bird flu kills second person

A 32 year- old male patient died of the lethal H5N1 virus on Wednesday at the National Institute for Infectious and Tropical Diseases in Hanoi, making him the second person in 2009 to die in Vietnam of this disease, and bringing the country's death toll to 53 since 2003.

Cu Van Chieu, hailing from the northern province of Ninh Binh's Kim Son District, had eaten sick chickens at home over the Tet (Lunar New Year) holidays. Chieu's immune system degraded quickly because he was also infected with HIV, said the director of the province's Preventive Healthcare Center, Dr. Bui Minh Chau.

His home and the cemetery where he is buried have been disinfected, while 43 people who had been in close contact with him are being supervised.

Bird flu has hit 13 provinces and cities since earlier this year, including Bac Lieu, Bac Ninh, Ca Mau, Dien Bien, Hau Giang, Khanh Hoa, Nghe An, Ninh Binh, Quang Ninh, Quang Tri, Soc Trang, Thai Nguyen, and Thanh Hoa, the Head of the Animal Health Department, Bui Quang Anh, said.

Deputy Prime Minister Nguyen Sinh Hung has urged ministries, agencies, and localities to be more drastic in implementing measures to bring bird flu under control, and to enhance the dissemination of awareness to all people. (Source: Viet Nam News Feb. 27)

Seminar eyes food safety

A seminar between representatives of non-governmental organizations, donors, and projects supporting food safety in Vietnam held in Hanoi yesterday.

According to National Fisheries Quality Assurance and Veterinary Directorate (NAFIQAD) Deputy Director Dr. Nguyen Nhu Tiep, awareness among State management agencies, particularly at the local level, about the impact of food safety on public health and trade was poor. So, too, was awareness among producers and businessmen about their social responsibilities for food safety, while their technical knowledge and the number of modern facilities were limited.

The delegates agreed to increase monitoring and testing throughout the food chain; clarify the responsibilities of ministries and agencies; improve food-safety awareness among managers, farmers, entrepreneurs and consumers; and upgrade food-processing factories. (Source: Thanh Nien Feb. 25)

Plan to boost consumer protection

A strategic plan named "Standards and Quality Assurance Project," which aims to improve product testing and calibration capabilities for consumer protection by 2015, was made public yesterday.

As part of the European Technical Assistance Program for Vietnam's second phase (ETV2), this project began on December 1, 2005, and will terminate on April 30 this year.

Thanks to contributions from EU experts, the agency promulgated and would begin to enforce the Law on Standards and Technical Regulations, the Law on Products and Goods Quality, and other legal documents, the Head of the Directorate of Standards of Quality (Stamep) General Ngo Quy Viet said.

The project has helped the Ministry of Agriculture and Rural Development (MARD) improve and upgrade the National Agro-forestry and Fisheries Quality Assurance Department (Nafiqad), among others. (Source: Viet Nam News, Feb. 27)

Financial losses leave shrimp ponds barren

Many Mekong Delta farmers are undecided if they should persist with raising crustaceans or switch to other crops, due to huge losses suffered last year as a result of falling shrimp prices and rising shrimp-feed costs.

Although tiger shrimp are now bought at out-of-season prices of VND 120,000 and VND 140,000 (US \$7 - \$8) per kilogram, and input costs are about VND 90,000 (\$5), farmers are still wary that the prices may drop significantly at harvest time. Last year, the selling price of shrimp dropped to VND 55,000-60,000 (\$3.20-3.50) per kilogram, leaving shrimp farmers with no money to invest in shrimp farming again.

Many Mekong Delta provinces now have thousands of hectares that were formerly used for shrimp farming lying idle. (Source: Thanh Nien Feb 23)

Short supply of fish, shrimp may cost thousands of jobs

Due to a shortage in the supply of shrimp and fish for processing, over 20,000 workers in the Mekong Delta provinces' seafood processing factories are at risk of losing their jobs.

Because of the shortage of raw material, many companies like those in the southernmost provinces of Ca Mau and Soc Trang have not only stopped recruiting new workers, but are also planning to cut down on their existing workforce.

The shrimp processing factory of Sao Ta Food Joint-Stock Company (Fimex VN), for example, has a capacity of 40 tons of shrimp per day, but its current intake is just one ton per day. The firm cut 700 jobs and will have to cut another 500 jobs, Chairman Ho Tan Luc said.

Vo Thanh Hung, head of the management board of the industrial zones in Can Tho, says that after the Lunar New Year celebrations, 630 workers in seafood processing factories in the International Zones and the Export Processing Zones had not returned to work because of deep salary cuts. (Source: Viet Nam News Feb 23)

Seafood export value falls 6 percent

Vietnam saw total seafood exports of \$461 million in the first two months of this year, representing a decrease of 6 percent year-over-year, according to the General Statistics Office (GSO).

The decline was due to the effects of the global economic crisis, causing demand for all goods to go down, including seafood, on the world market.

According to the Viet Nam Association of Seafood Exporters and Producers (VASEP), seafood exporters may not reach their target of \$4 billion in exports this year, with export values now

expected to decline by 15-20 percent from last year's total of \$4.27 billion due to economic downturn, falling demand, and foreign exchange rates. (Source: Vietnam News, Feb. 27)

Vietnam to export 120,000 tons of tra fish to Russia

Vietnam will export 120,000 tons of tra (catfish) to Russia this year, said a seafood association official yesterday.

According to Duong Ngoc Minh, vice chairman of the Freshwater Fish Association of Seafood Exporters and Producers and general director of Hung Vuong Joint-stock Company, catfish sells for between \$0.89 and \$0.92 a kilo, but it is hard to source.

Minh's company has contracted farmers in the region to raise the fish to guarantee a stable supply, he said. (Source: Thanh Nien News, Feb. 27)

Sheep imported from UAE for breeding and meat

As part of a program between Vietnam and the Middle Eastern countries, a flock of 360 sheep imported from the United Arab Emirates (UAE) was taken to a farm in Ninh Thuan Province, after landing at Ho Chi Minh City's international Airport, the province's Department of Agriculture and Rural Development said.

Through the program, Emirati company TAMOUH Investments LLC will give the local farmers loans to raise the sheep, and then export the meat back to the UAE. Another 24,000 sheep are to be brought to the district by the end of this month. (Source: Thanh Nien, Feb 22)

Health agency calls for peanut butter recall

After the Department of Food Safety and Hygiene (Ministry of Health) warned about a batch of imported peanut butter, the Ho Chi Minh City Department of Health told the Department of Industry and Trade and the People's Committees of the 24 city districts to recall all salmonella-tainted peanut butter. (Source: Viet Nam News, Feb 23)

Nation lacks accurate forecasting, market data

Vietnam needs to invest more in training professional market analysts, says Dang Kim Son, head of the Institute of Policy and Strategy (Ministry of Agriculture and Rural Development).

According to the chairman of the Viet Nam Food Association, Truong Thanh Phong, even though the rice export prices on the global market are likely to rise during the course of this year, it's nearly impossible to predict the most opportune time for Vietnamese exporters to sell, due to the lack of accurate market analysis.

Nguyen Ton Quyen, vice chairman of the Wood and Forestry Products Association said that forecasting data remained disperse and unreliable. For instance, if wood product exporters want to see import-export data, they have to seek it from both the Ministry of Industry and Trade and General Department of Customs, and the data is, in many cases, inaccurate and conflicting. (Source: Vietnam News, Feb. 27)

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